

Schedule 3 (Charges)

1. How Charges are calculated

1.1 The Charges:

1.2 The Charges shall be calculated in accordance with this Schedule and the Supplier's submitted Price Framework (Appendix 2) of their submitted Tender (Schedule 4). Any variation to the Charges payable under this Contract must be agreed between the Supplier and the Buyer and implemented using the Variation Procedure. Any variation to the Charges payable under a Contract must be agreed between the Supplier and the Buyer and implemented using the procedure set out in this Schedule.

2. The pricing mechanisms

The Supplier will provide their price increase mechanism within the Price Framework of their submitted Tender (Schedule 4). The costs provided by the Supplier will be deemed to be inclusive of this price increase mechanism for all costs under the whole-life of the Contract (up to a maximum of 10 years).

3. Are costs and expenses included in the Charges

3.1 the Charges shall include all costs and expenses relating to the provision of Deliverables. No further amounts shall be payable in respect of matters such as:

3.1.1 incidental expenses such as travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs, network or data interchange costs or other telecommunications charges; or

3.1.2 costs incurred prior to the commencement of this Contract.

4. Other events that allow the Supplier to change the Charges

4.1 The Charges can also be varied (and Annex **Error! Reference source not found.** will be updated accordingly) due to:

4.1.1 a Specific Change in Law in accordance with Clauses 28.7 to 28.8;

4.1.2 a request from the Supplier, which it can make at any time, to decrease the Charges;

Annex 1 – Rates and Prices

The Charges payable to the Supplier by the Buyer under this Contract shall be set out in Schedule 4 (Tender) and the Supplier's submitted prices submitted as part of their submitted Price Framework as part of their Tender.

Implementation Charges:

The Charges for Implementation shall be payable against the Milestones in Schedule 8 as follows:

Milestone Ref	Payment of % of Implementation Charges provided in Supplier's Tender	Payment Trigger
Contract Signing	50%	Payable within 30 days on receipt of Invoice following Contract Signing
Successful completion of UAT, confirmed in accordance with Schedule 8	50%	Payable within 30 days on receipt of Invoice following successful completion of UAT, confirmed in accordance with Schedule 8

Annual License and Support Charges:

Invoiced annually in advance, commencing on Go-Live (as confirmed in Schedule 8). Payable within 30 days on receipt of Invoice.